



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

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FOR IMMEDIATE RELEASE CONTACT: Norman Googel
304-558-8986
1-800-368-8808

**ATTORNEY GENERAL DARRELL MCGRAW OBTAINS \$54,000
IN REFUNDS OF UNLAWFUL FEES FROM UTAH
COLLECTION AGENCY FOR WEST VIRGINIA CONSUMERS**

In April, 2001, a Utah law firm demanded that Eugene Blake of Eleanor pay \$135.42 for a \$17.42 bad check he allegedly wrote to a Dollar Tree store. When he questioned the excessive fees, the caller from The Law Offices of Bennett & DeLoney threatened that he would be sued and faced with \$800 in additional fees if he failed to pay the amount demanded.

The complaint of Mr. Blake and a handful of other West Virginia consumers prompted Attorney General Darrell McGraw to investigate the debt collection practices of Bennett & DeLoney. Today the Attorney General is pleased to announce that Bennett & DeLoney has agreed to refund \$53,929.38 in unlawful fees wrongfully collected from 555 West Virginia consumers.

The Attorney General's office began investigating Bennett & DeLoney of Midvale, Utah, last year after receiving consumer complaints that the law firm/collection agency was adding unlawful fees of up to \$128 to the face value of dishonored checks allegedly written by West Virginia consumers. Further investigation disclosed that the firm was not licensed and bonded to collect debts as required by West Virginia law.

In the settlement agreement with the Attorney General's office, Bennett & DeLoney promised to refund \$53,929.38 to 555 West Virginia consumers. Bennett & DeLoney also promised to obtain a license and bond from the State Tax Department and to add no more than \$25, the amount state law presently allows, to the face value of alleged bad checks it seeks to collect from West Virginia consumers.

Attorney General McGraw explained, "It is against the law in West Virginia to demand payment of additional fees of \$128 for alleged bad checks, as Bennett & DeLoney tried to do with hundreds of consumers throughout the state. Moreover, collection agencies operated by lawyers licensed in other states must still comply with West Virginia's consumer protection laws, including laws that require collection agencies to be licensed and bonded here. Notwithstanding our concerns about its previous collection practices, I commend Bennett & DeLoney for refunding the unlawful fees it collected and its promise of future compliance with West Virginia law."

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hotline, 1-800-368-8808.

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